

Queensland's first and a world first SBB with a focus on Indigenous disadvantage

This is the first Program Update for 2017 and one well worth waiting for.

In Cairns today, Queensland Treasurer, Curtis Pitt signed the contract for Queensland's first Social Impact Investment. Mr Pitt said, "The government is delighted to be associated with UnitingCare Queensland (UCQ), who will establish 'New Parent Infant Network' (NEWPIN) to complement existing child and family services."

The (NEWPIN) service is the first Social Benefit Bond (SBB) to be contracted in Queensland and the first Indigenous program of its type in the world.

The announcement was made at an event attended by frontline staff and Indigenous Community representatives, held in Cairns where the first center will open by the end of the year, with two more planned in regional and urban locations.

"Aboriginal and Torres Strait Islander children are nine times more likely to be subject to protective orders than non-Indigenous children and developing alternative pathways for our most vulnerable Queenslanders is a high priority for this government," Mr Pitt said.

NEWPIN offers hope to troubled families through an evidence-based therapeutic program that ultimately aims to reunify children who are under 5.5 years old and living in out-of-home care, with their families. Approximately 200 families across the three locations are expected to be referred by government to the NEWPIN program over the 7.25 year term of the bond.

The principal value of the NEWPIN SBB is \$6 million and Social Ventures Australia (SVA) will soon release an Information Memorandum marketing the bond to potential investors. SVA aims to achieve financial close by June 2017. (link to SVA website [here](#))

Starting in late October 2016, the Social Benefit Bonds Pilot Program has worked in conjunction with DCCSDS and UCQ to negotiate through the Joint Development Phase. To have the first of three transactions in joint development contracted by March 2017, has required great commitment from all involved and represents a substantially shorter timeframe to bring an SBB transaction to market - compared to the experience of others who have gone before us. We have learned from these experiences, providing opportunities to innovate and do some things differently as a result.

The Joint Development phase continues between the Queensland Government and proponents for two other Social Benefit Bonds focused on homelessness and youth reoffending with further announcements to be made soon.

In other news, the Australian Government released a Discussion Paper on Social Impact Investment in January 2017. The purpose of the discussion paper is to explore ways the Australian Government can develop the social impact investment market to generate savings or avoided future costs to fund reforms and deliver better outcomes for Australians.

The paper proposes that the Australian Government could primarily support social impact investing by creating an enabling environment for private sector-led social impact investment and by funding (or co-funding with State and Territory Governments).

The Australian Government poses - that State and Territory Governments are leading on social impact investment (SII), consistent with their responsibility for the delivery of many services which could be delivered through SII, including justice, homelessness and out of home care services. The discussion paper also seeks views on areas where the Australian Government has direct policy responsibility.

The SBBs Pilot Program has prepared a response on behalf of Queensland Treasury – the discussion paper and the Queensland Treasury response can be seen at www.treasury.qld.gov.au/sbb/publications-news